Hudson Gateway Association of REALTORS®

International Residential Transactions During April 2021-March 2022

June 2022

HGAR | NATIONAL ASSOCIATION OF REALTORS®

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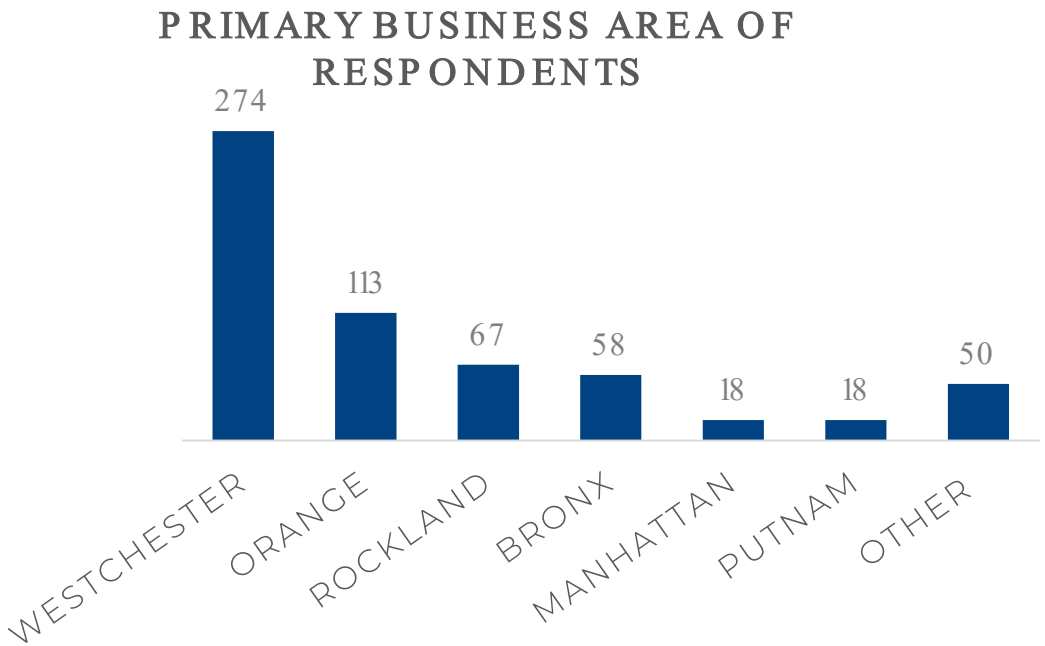
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About the Survey

Objective

The objective of this survey is to gather information about international residential real estate transactions of the Hudson Gateway Association of REALTORS® (HGAR) members during April 2021–March 2022 (referred to a "2022" in this report).



Respondents

The Hudson Gateway Association of REALTORS® sent out the survey to its members from April 4 through June 4, 2022, of which 608 members responded to the survey. Among the respondents, 72 reported they had a foreign buyer and provided information about the characteristics of the client. Westchester accounted for 46% of the respondents (out of 598 who identified their primary business area).

Due to the small sample size, the figures should be taken with caution and treated as indicators of a trend rather than as estimates of the underlying population characteristics.

Who is an International Client?

In this study, the term international or foreign client refers to two types of non-U.S. citizens:

Non-resident (Type A): non-U.S. citizens who primarily reside outside the U.S. and who don't stay in the U.S. year-round.

Resident (Type B): non-U.S. citizens who reside in the U.S. on non-immigrant visas (e.g., diplomats, foreign students, foreign workers) or recent immigrants who have been in the U.S. for less than two years as of the time of the transaction.

HIGHLIGHTS

2022 Report Highlights
International Residential Transactions During April 2021-March 2022

$700 million foreign buyer purchases
700 homes purchased (2.7% of closed sales)

63% of foreign buyers resided in the United States (Type B)

Top countries of origin of foreign buyers
Canada (8%)
China (8%)
India (5%)
Switzerland (5%)
Albania (5%)

Top destinations of foreign buyers
Westchester (43%)
Orange (16%)

2022 Report Highlights
International Residential Transactions During April 2021-March 2022

$750,000 median foreign buyer purchase price

14% of foreign buyers paid all-cash

49% intended to use property as primary residence

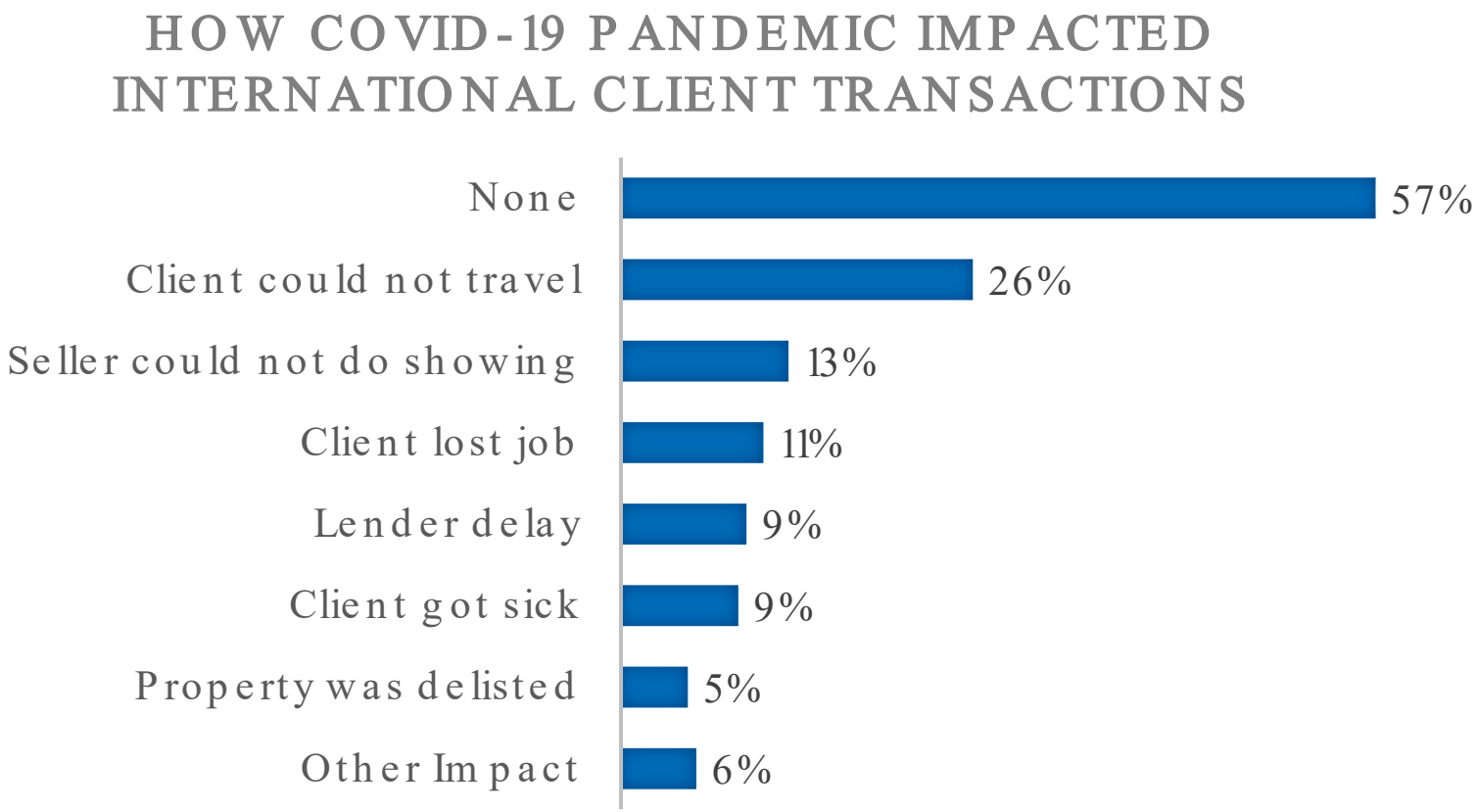
71% of respondents reported the same or more international clients in the past year

11% of respondents reported U.S. clients searching for property abroad, mainly for vacation or rental use

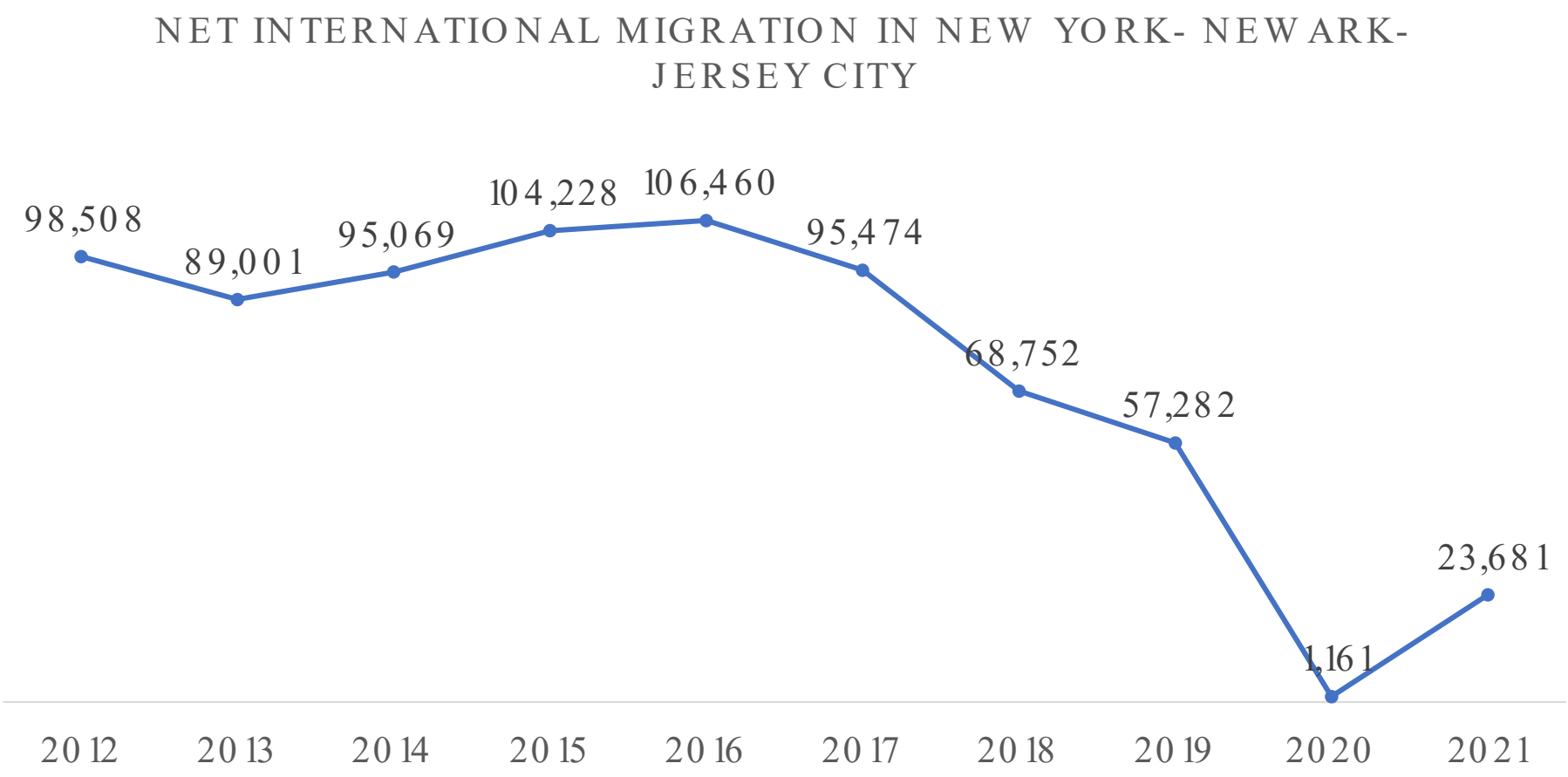
51% reported no language/cultural issues working with foreign clients

INTERNATIONAL RESIDENTIAL BUYERS

57% of Respondents Reported COVID-19 Had No Impact on International Transactions



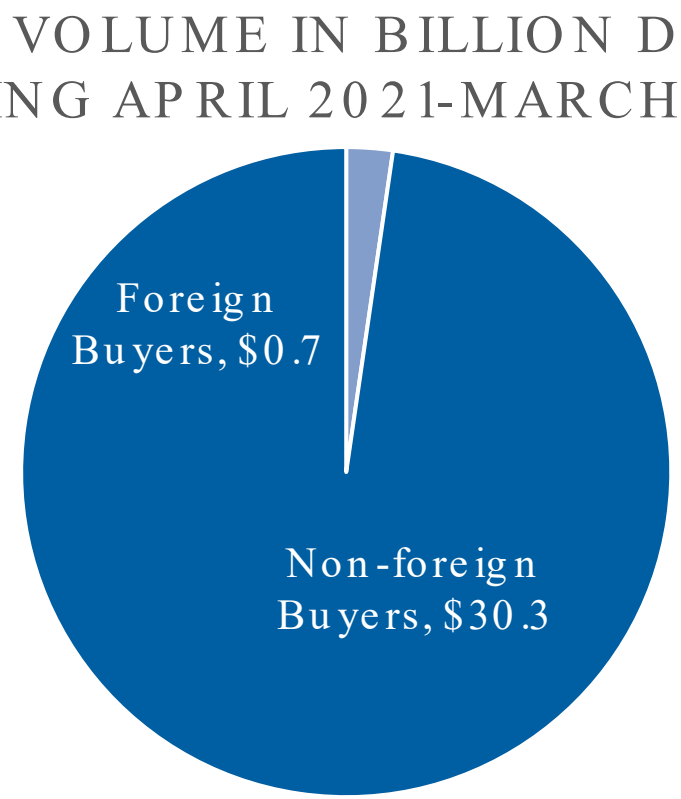
Rebound in Net International Migration in 2021



Source: US Census Bureau

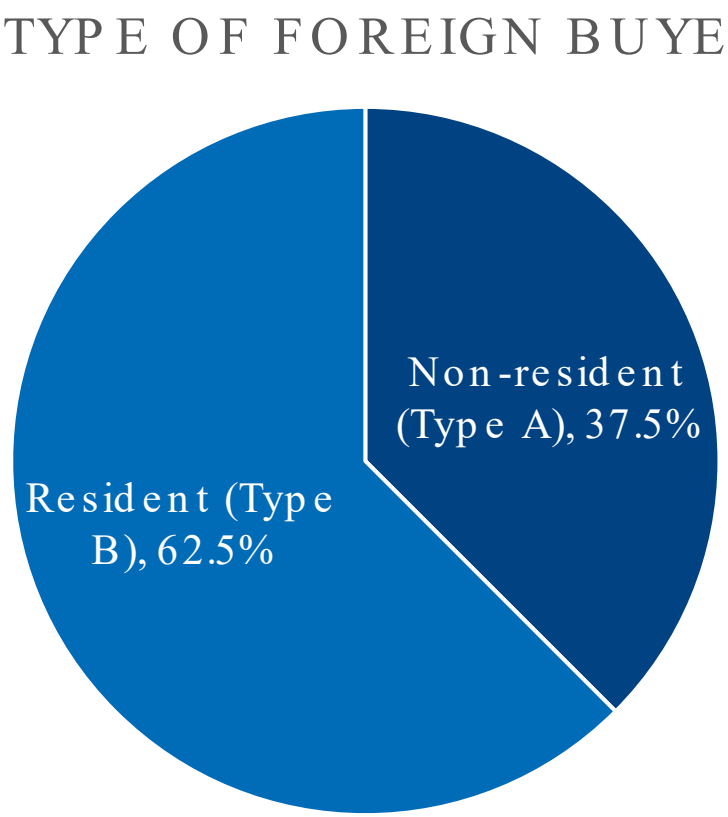
Foreign Buyers Purchased $700 Million Homes

700 Homes or 2.7% of HGAR market

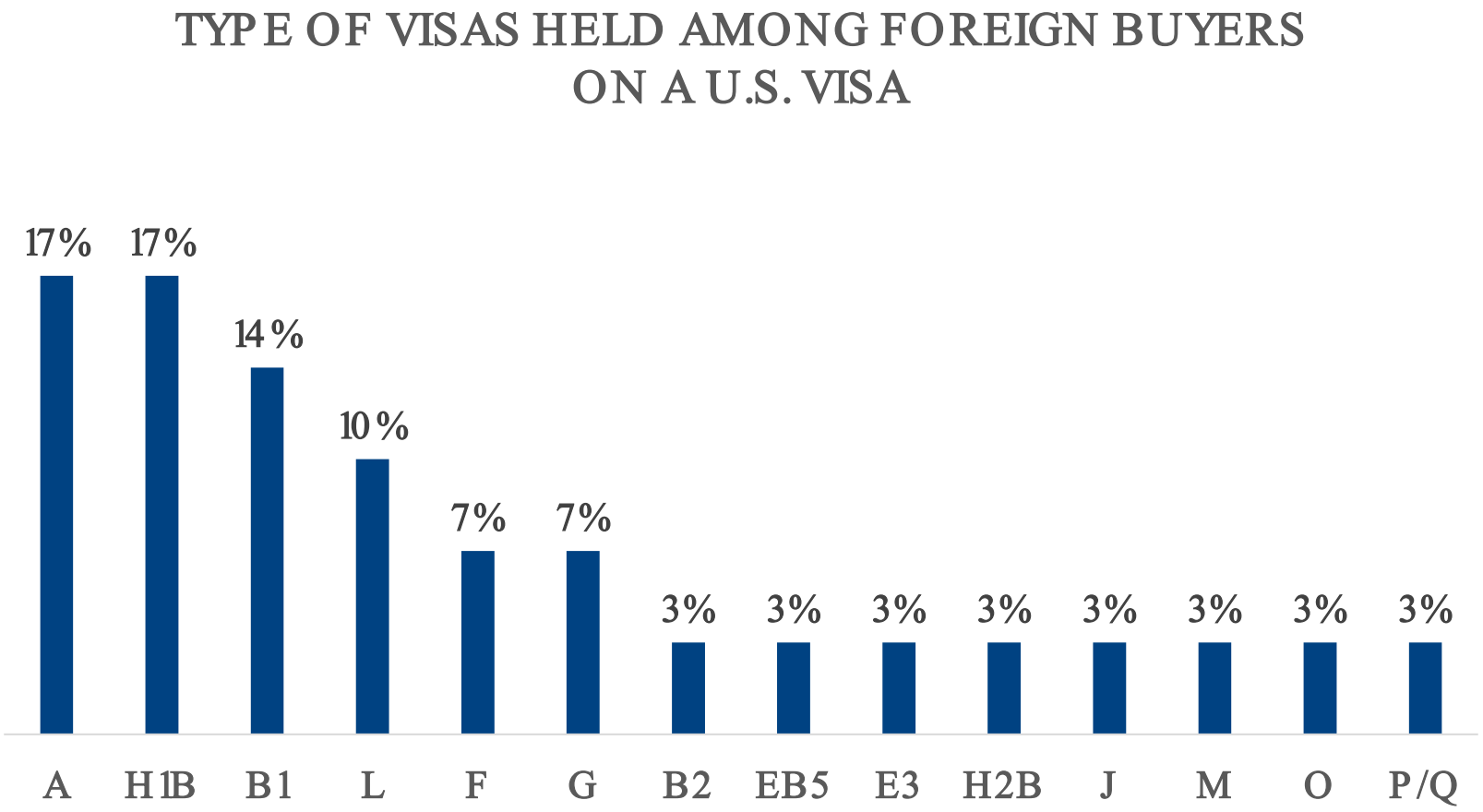


*Equivalent to 700 homes (2.7% of HGAR closed sales)

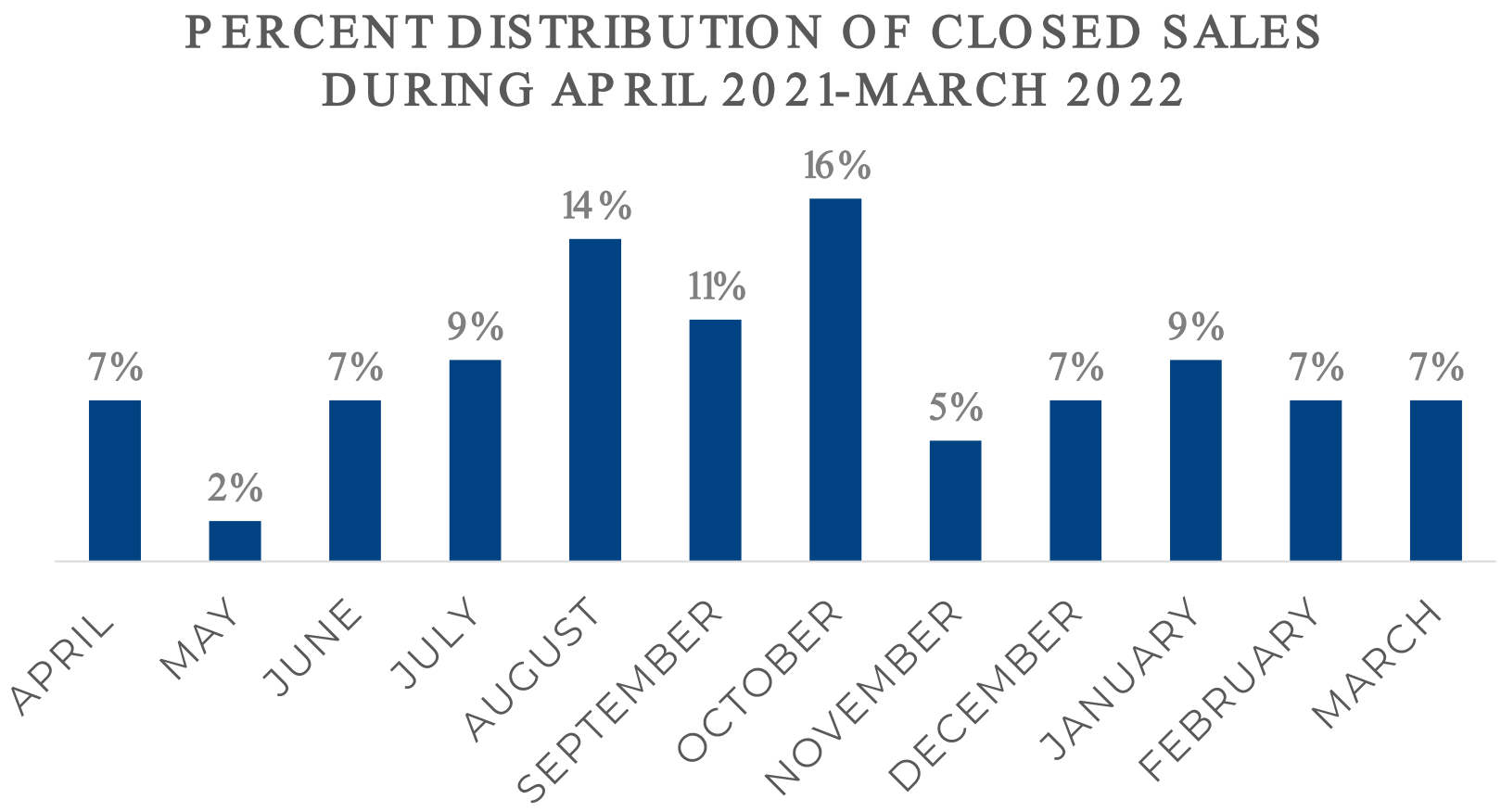
63% of Foreign Buyers Resided in the U.S (Type B)



Diplomat, Work, and Student Were Main Visas Held

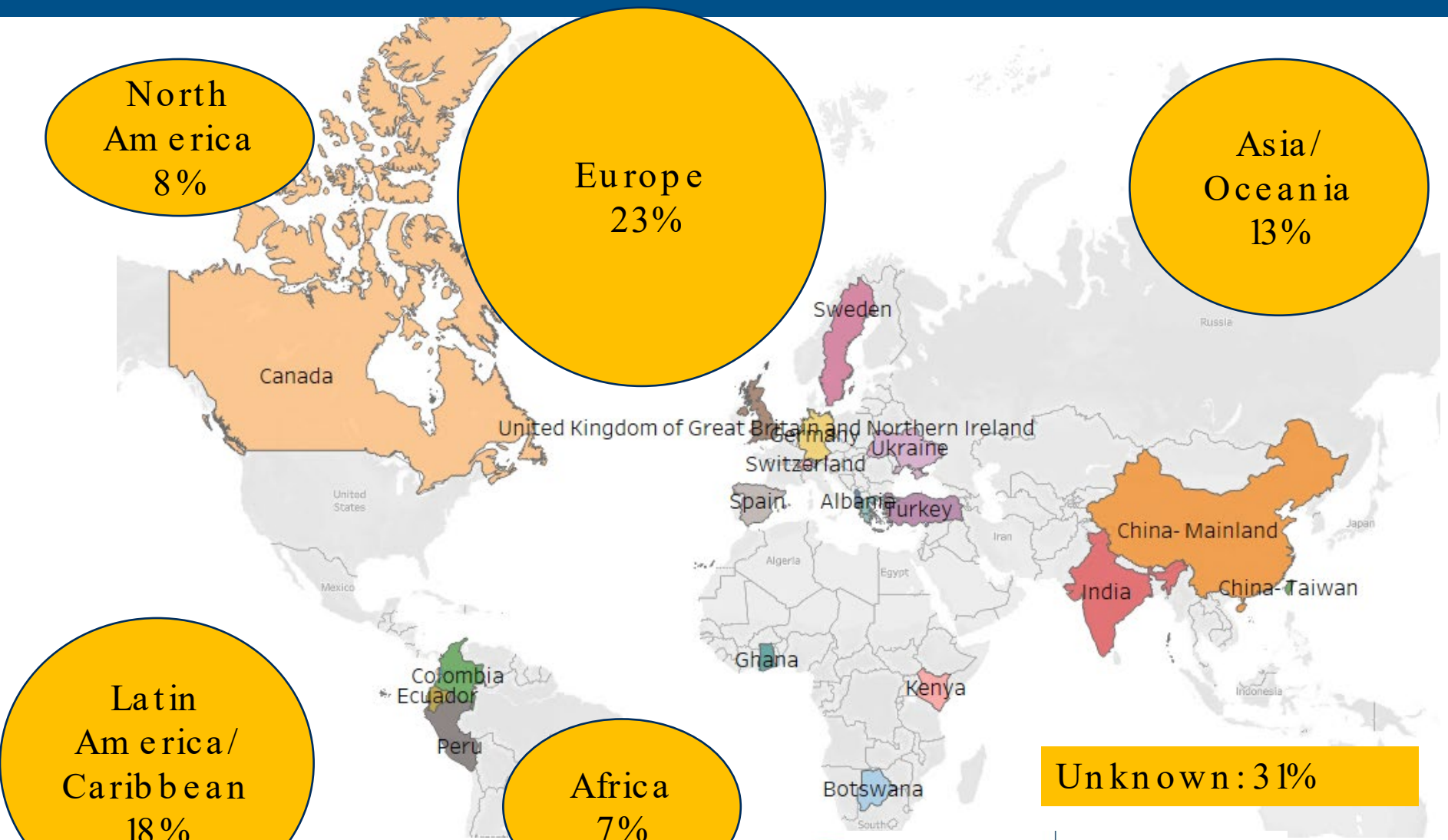


Fall is Most Active Season for Foreign Buyers

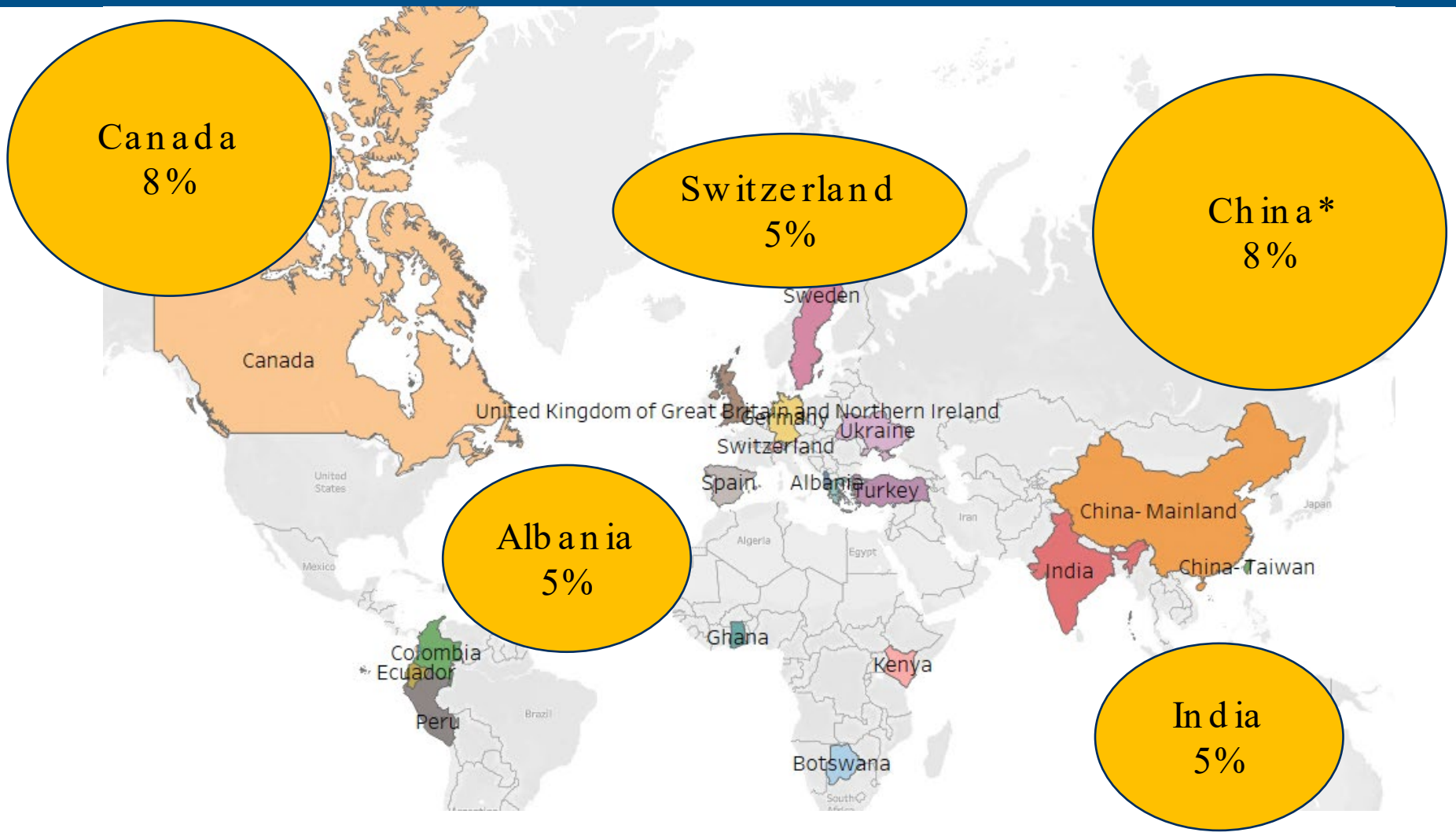


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Europeans and Latin Americans: Largest Group of Foreign Buyers



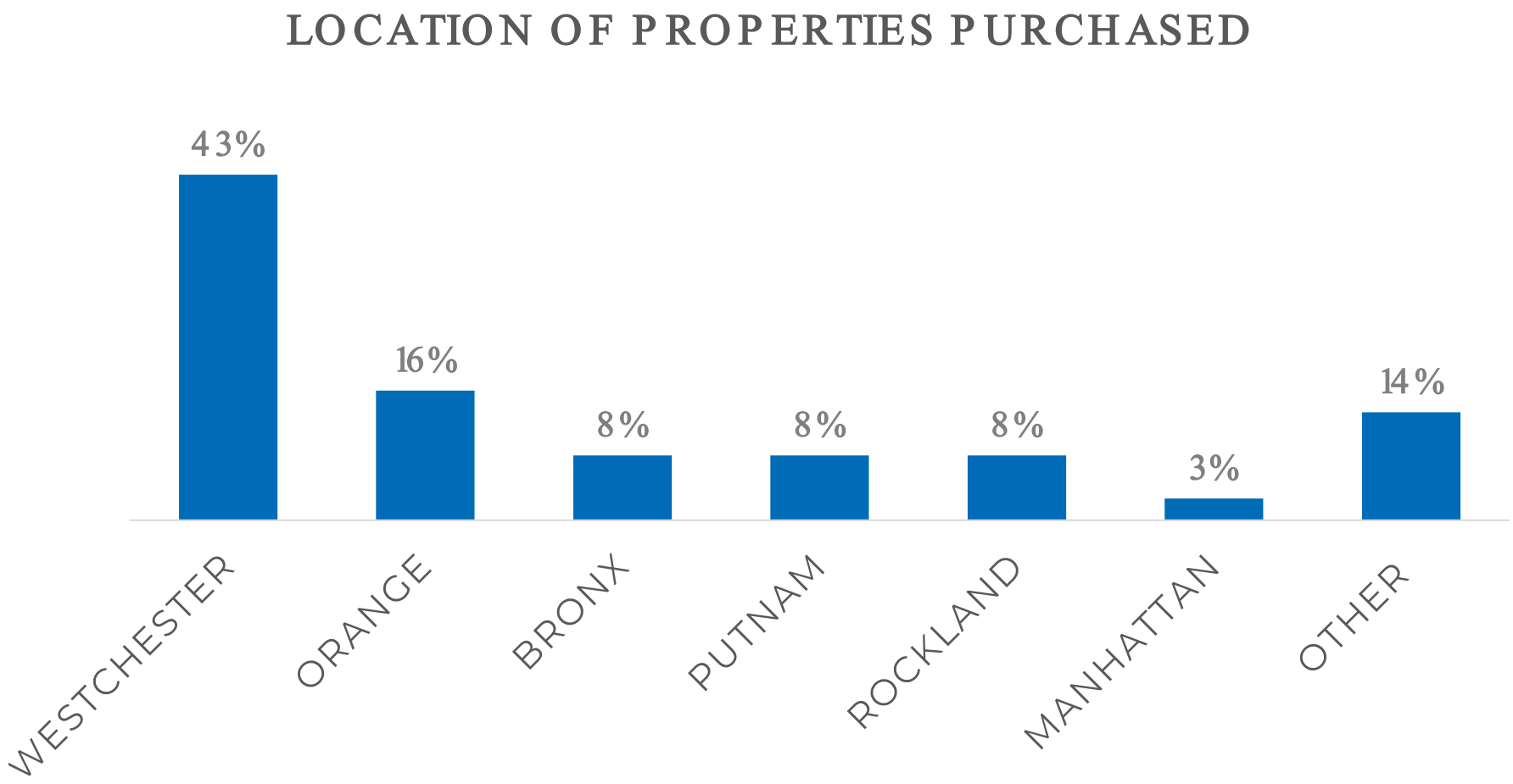
Top Foreign Buyers:
Canada, China*, India, Switzerland, Albania



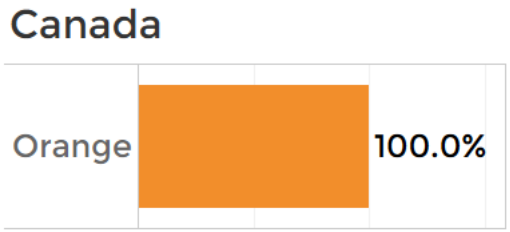
*Mainland China (5%) and Taiwan (3%)

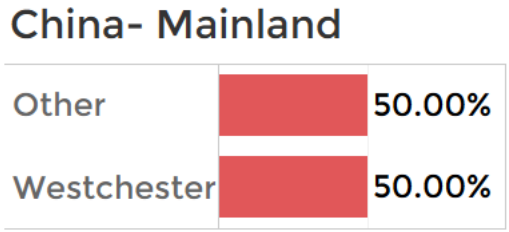
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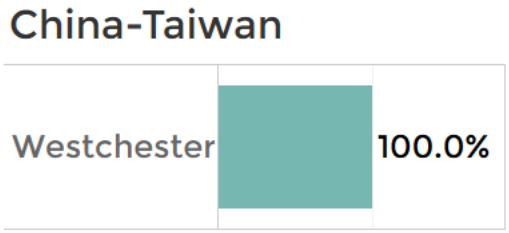
Westchester: 43% Foreign Buyer Share



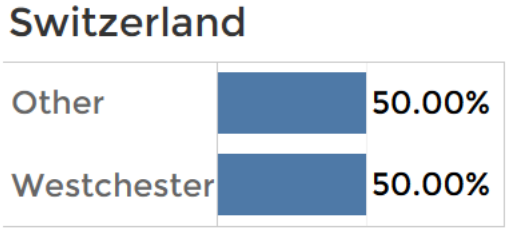
Where Foreign Buyers Purchased Property*







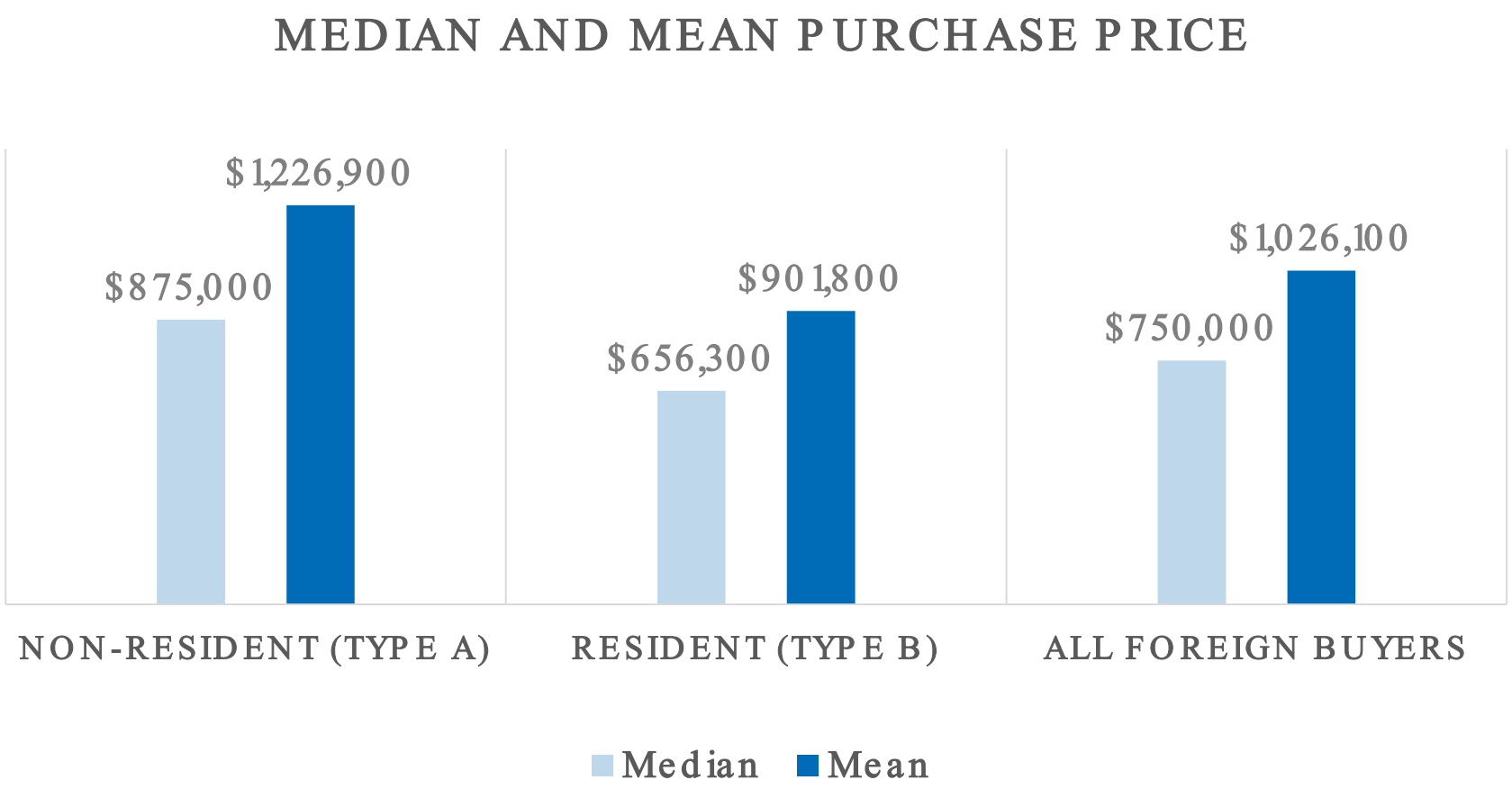






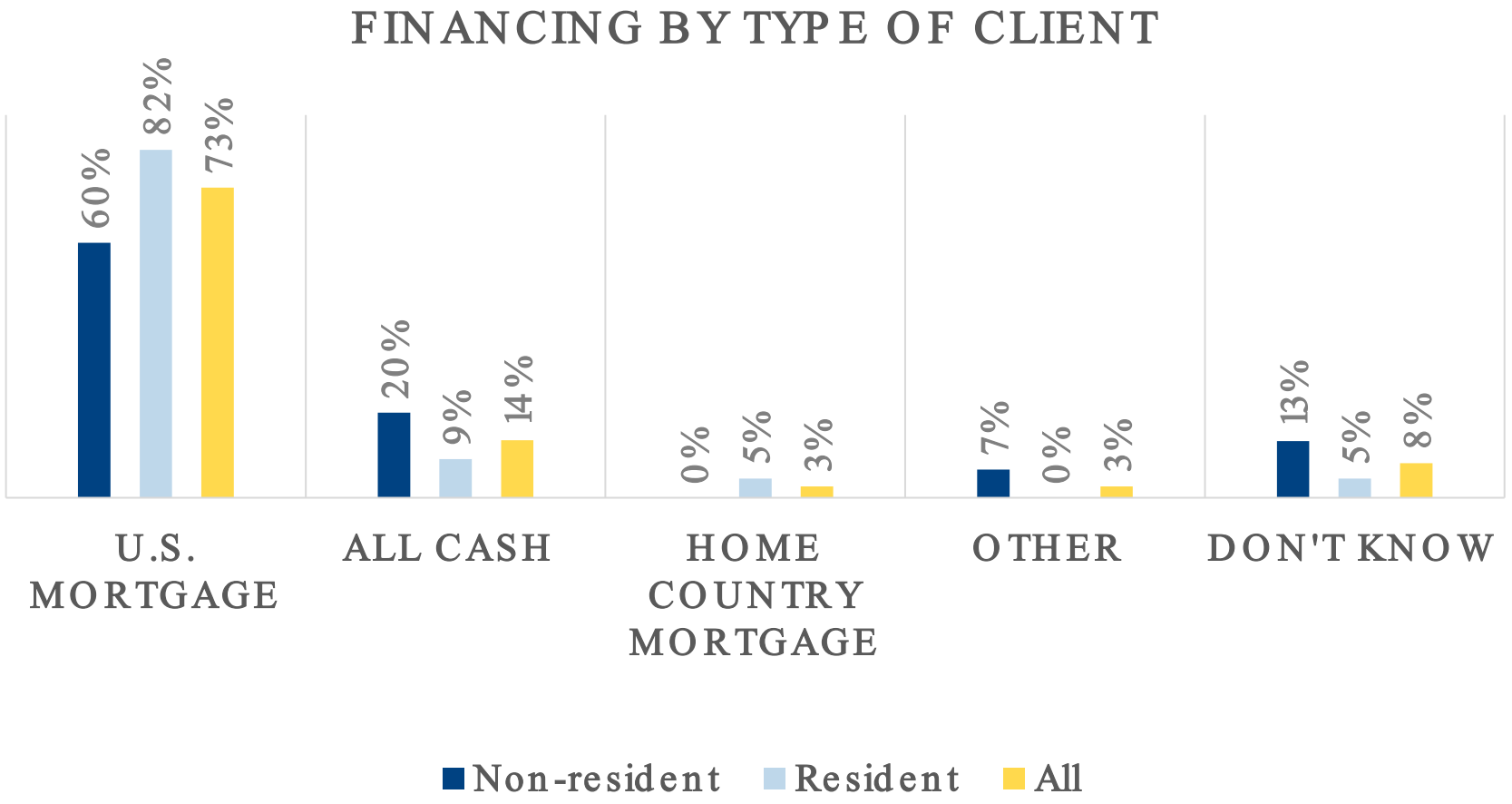
*These shares should be viewed as indicators rather than as estimates due to small sample size (at most a sample of 3 foreign buyers for each country)

Foreign Buyer Median Price: $750,000
Foreign Buyer Average Price: $1.03 Million



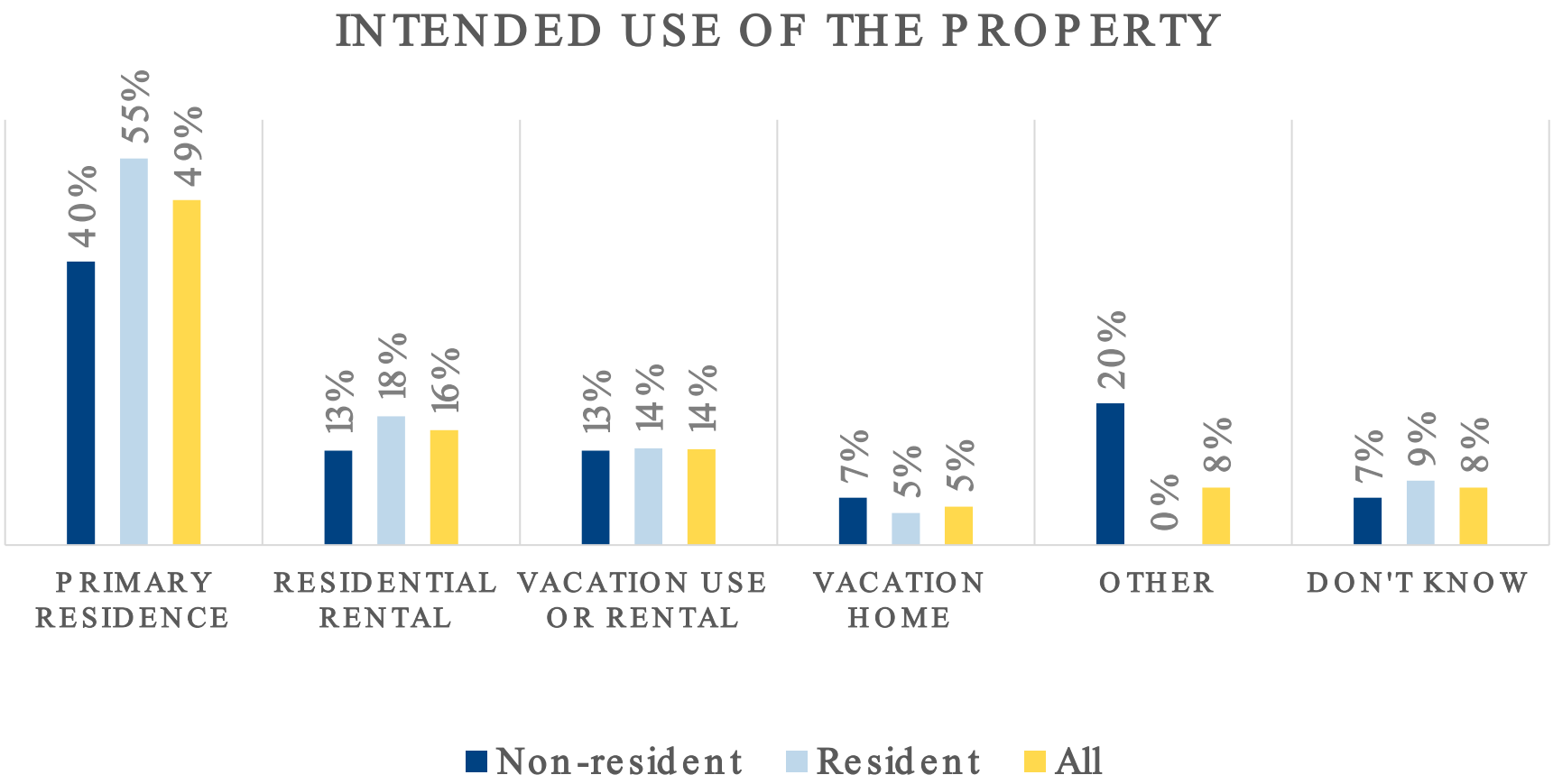
14% of Foreign Buyers Paid All Cash

Much lower than 44% among all U.S. foreign buyers



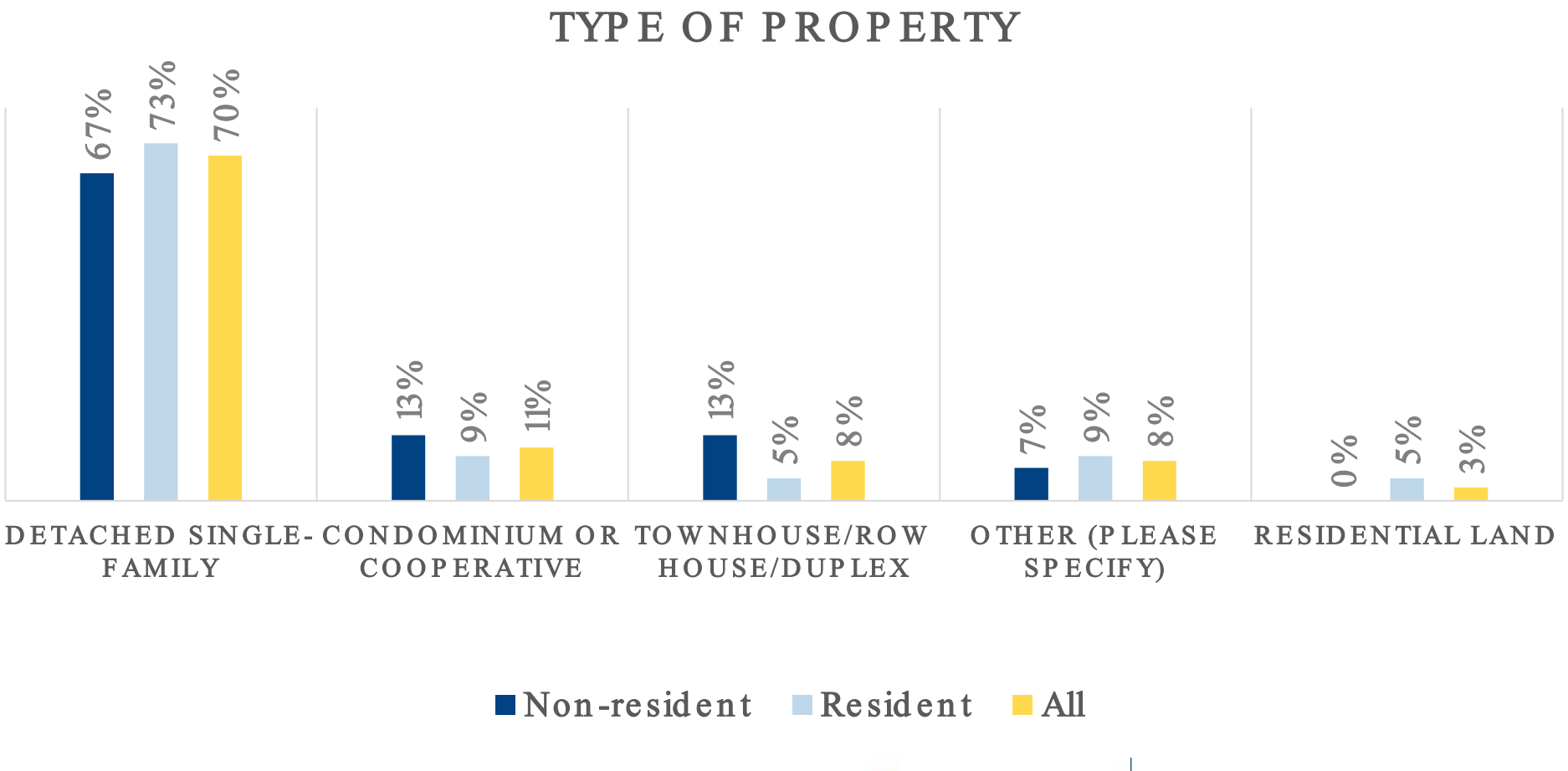
49% Purchased for Primary Residence Use

Not much higher than 45% among all U.S. foreign buyers



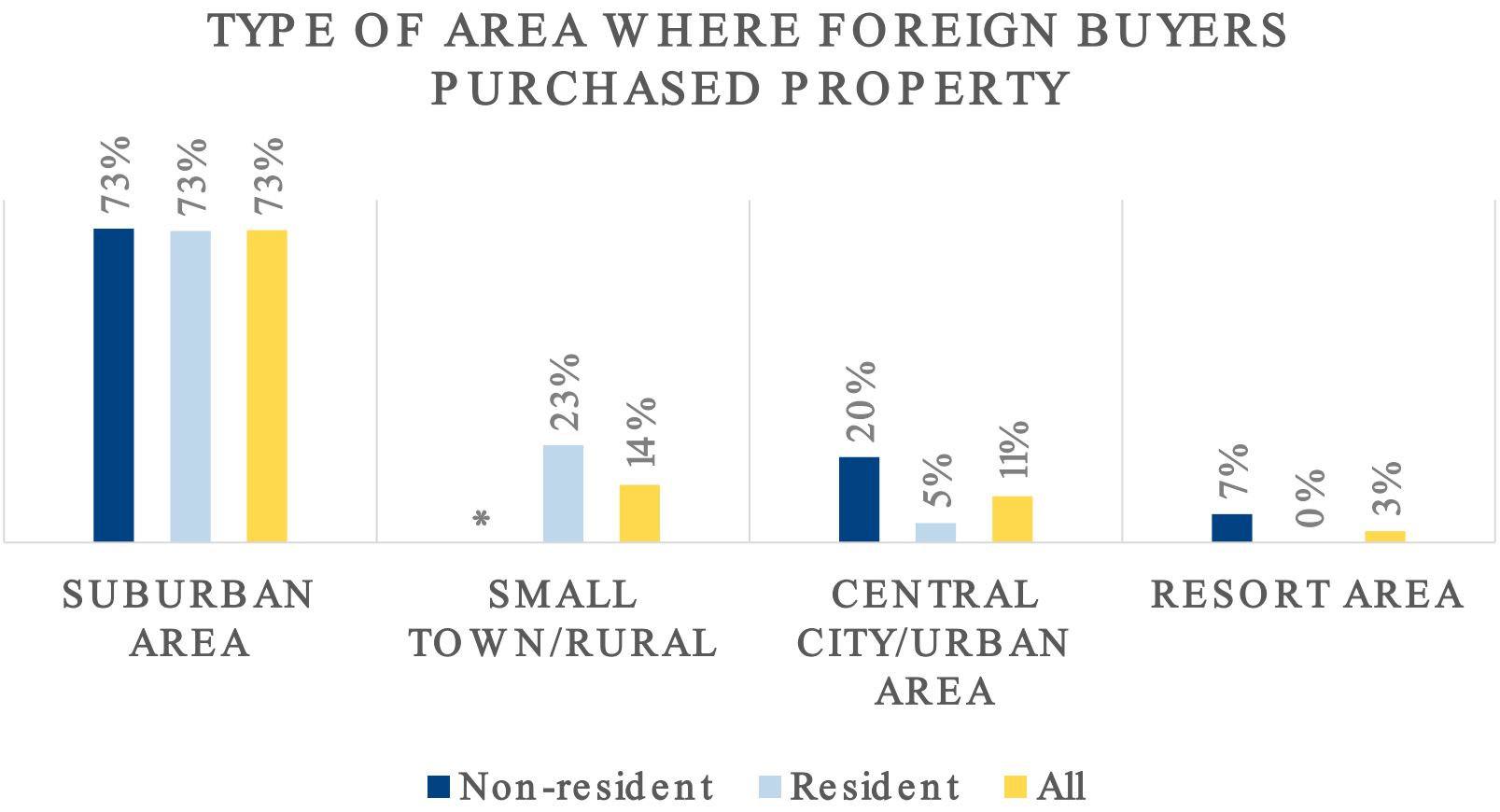
70% Purchased Detached Single-family Homes

Not much higher than 64% among all U.S. foreign buyers



73% Purchased in a Suburban Area

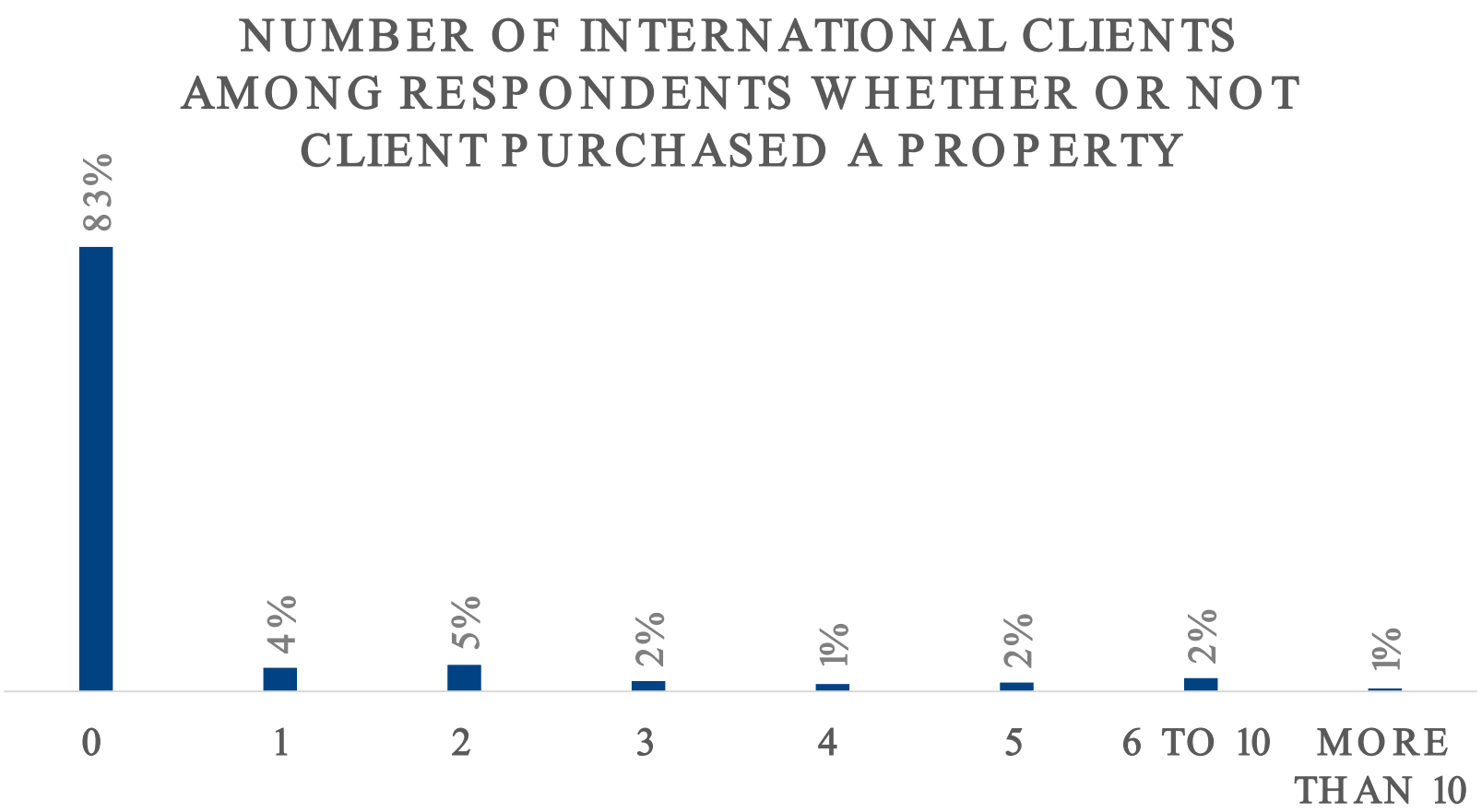
Same as 73% among all U.S. foreign buyers



INTERNATIONAL BUSINESS TRENDS

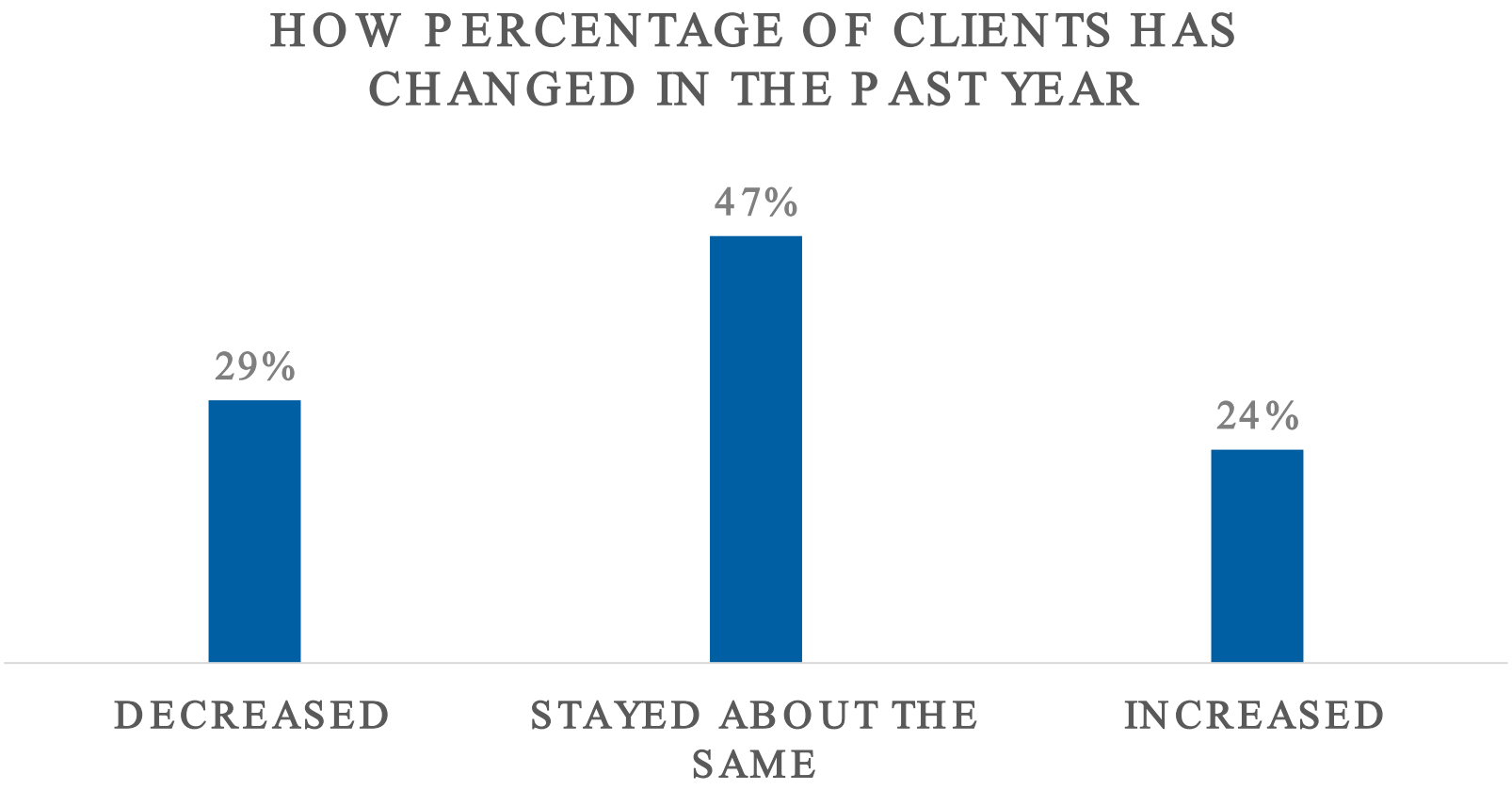
17% of Respondents Had an International Client

Compared to 27% in the national survey



71% of Respondents Reported the Same or More International Business in the Past Year

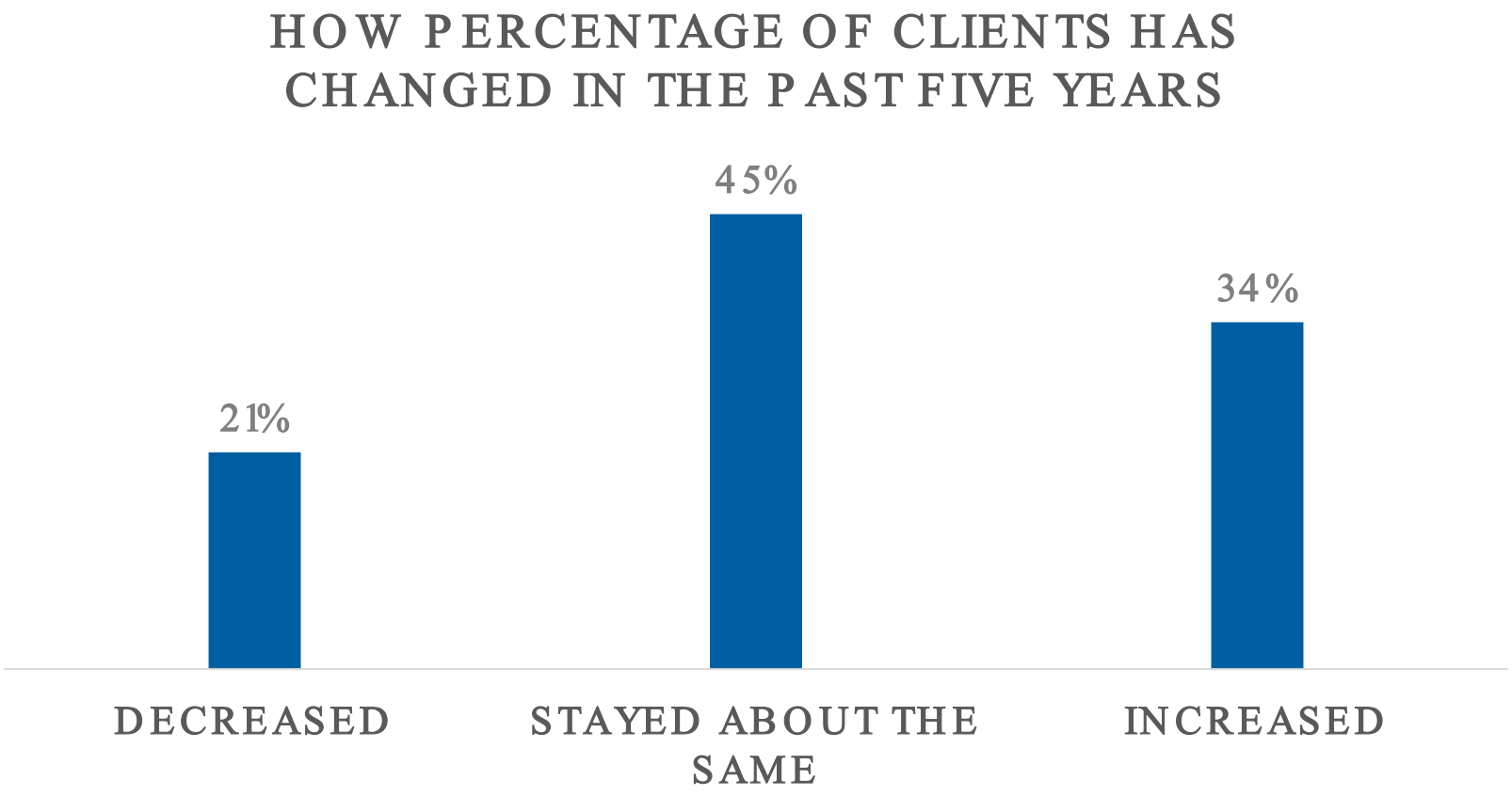
Compared to 82% in the national survey



*Among respondents with at least one year of experience

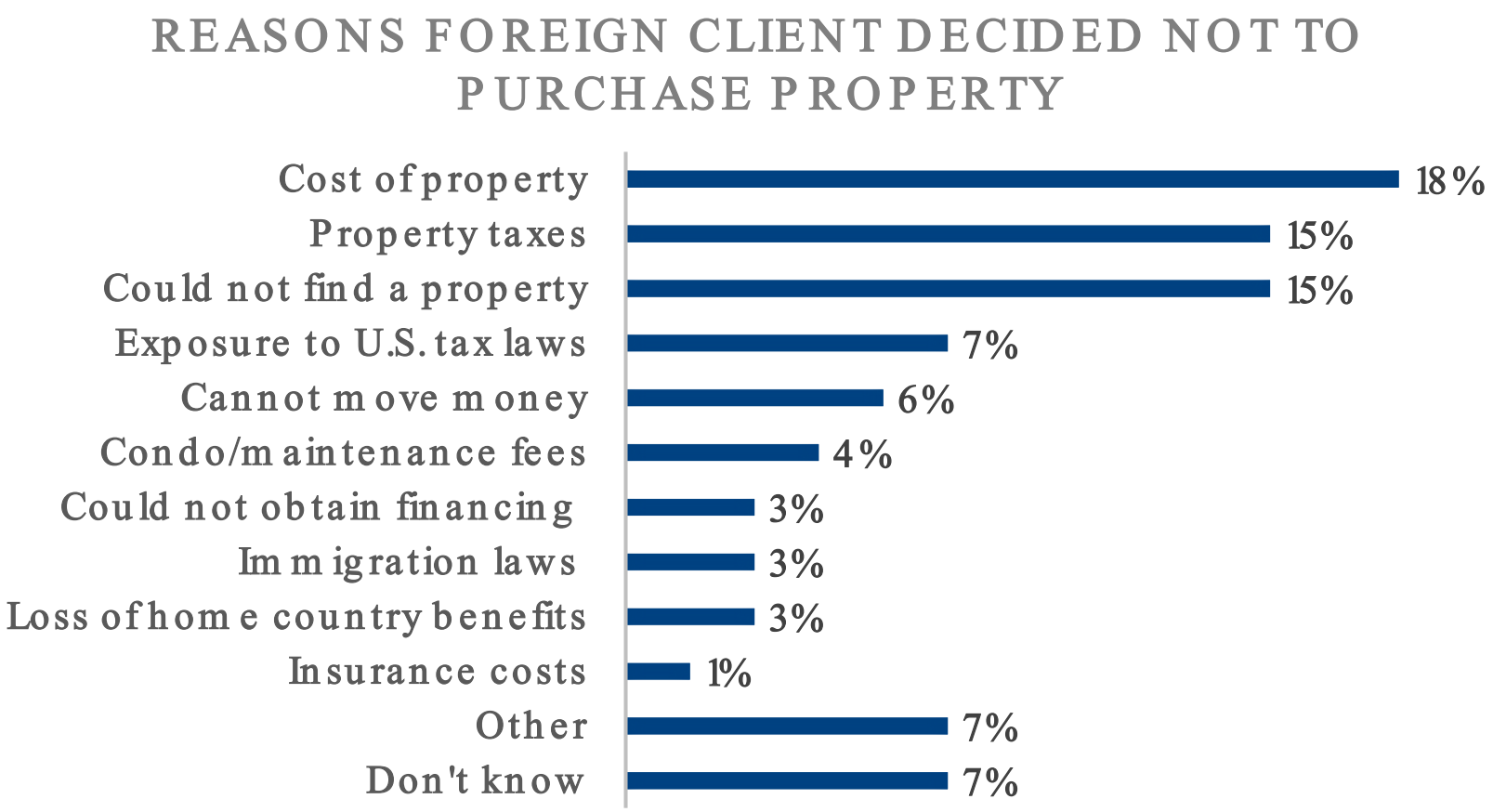
79% of Respondents Reported the Same or More International Business in the Past Five Years

Compared to 79% in the national survey



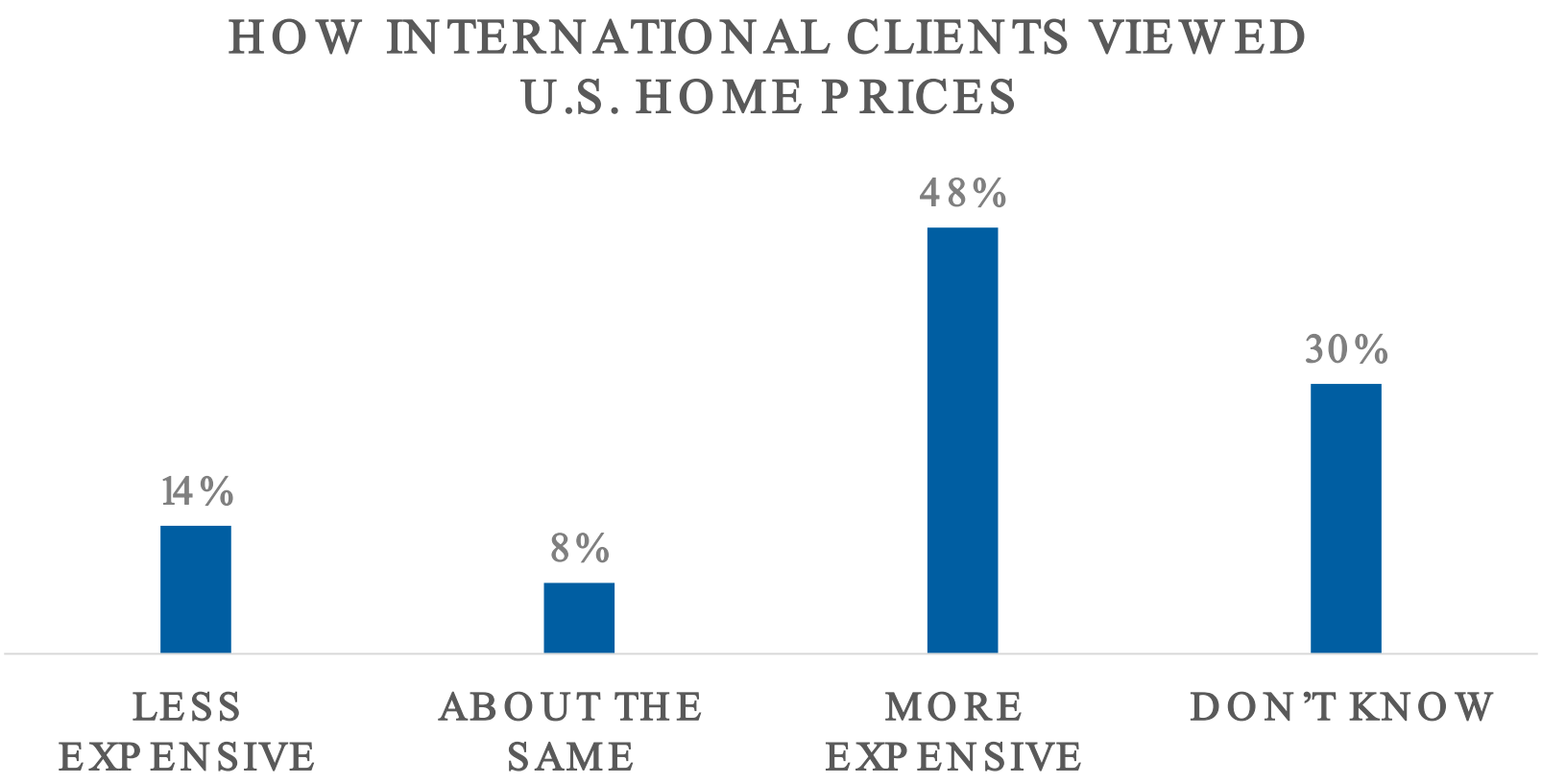
*Among respondents with at least five years of experience

Reasons Client Decided Not to Purchase Property



48% of Respondents Reported Client Found U.S. Home Prices More Expensive than in Home Country

Compared to 37% in the national survey

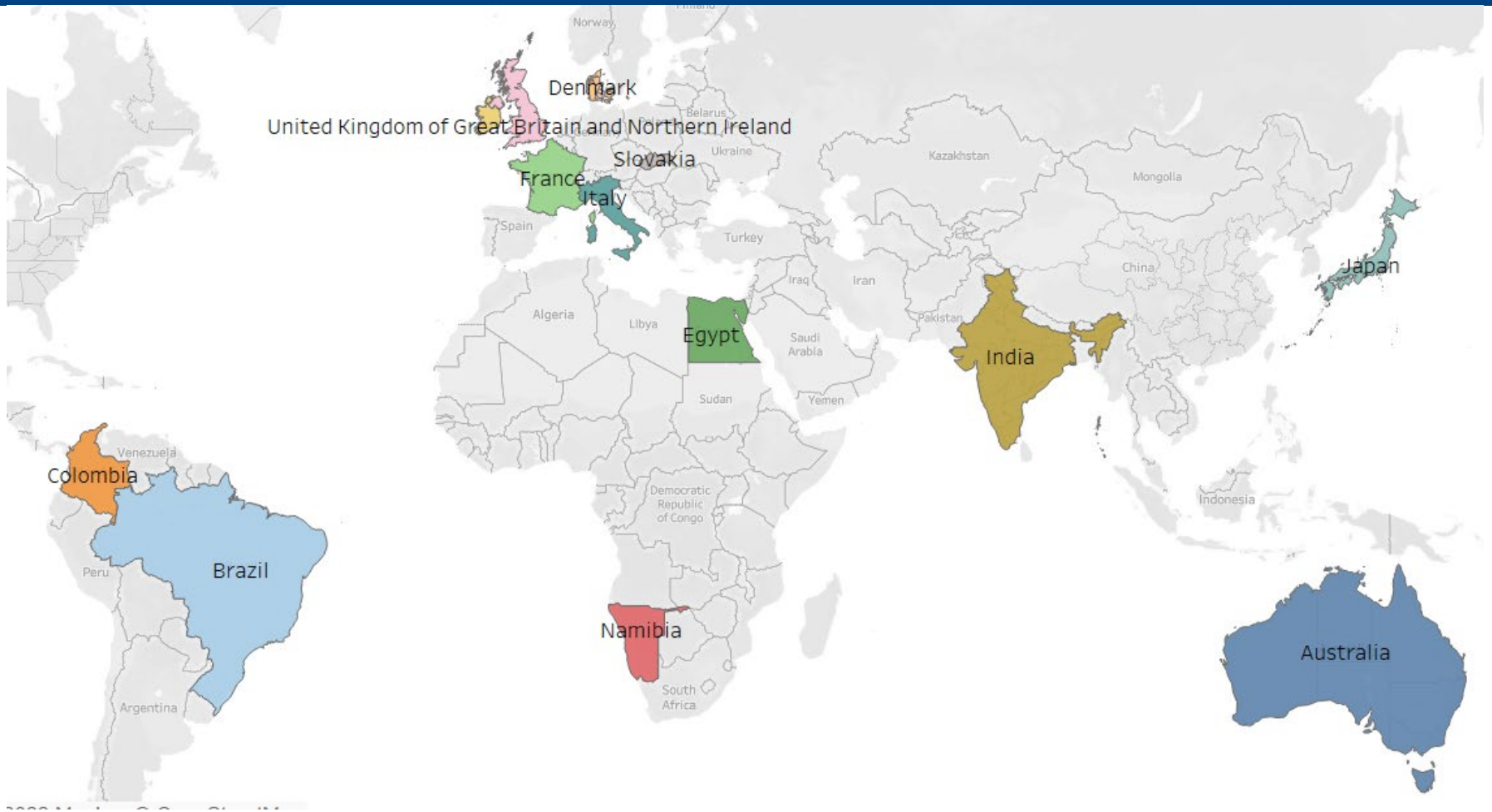


68% of Leads From Personal/Business Contacts

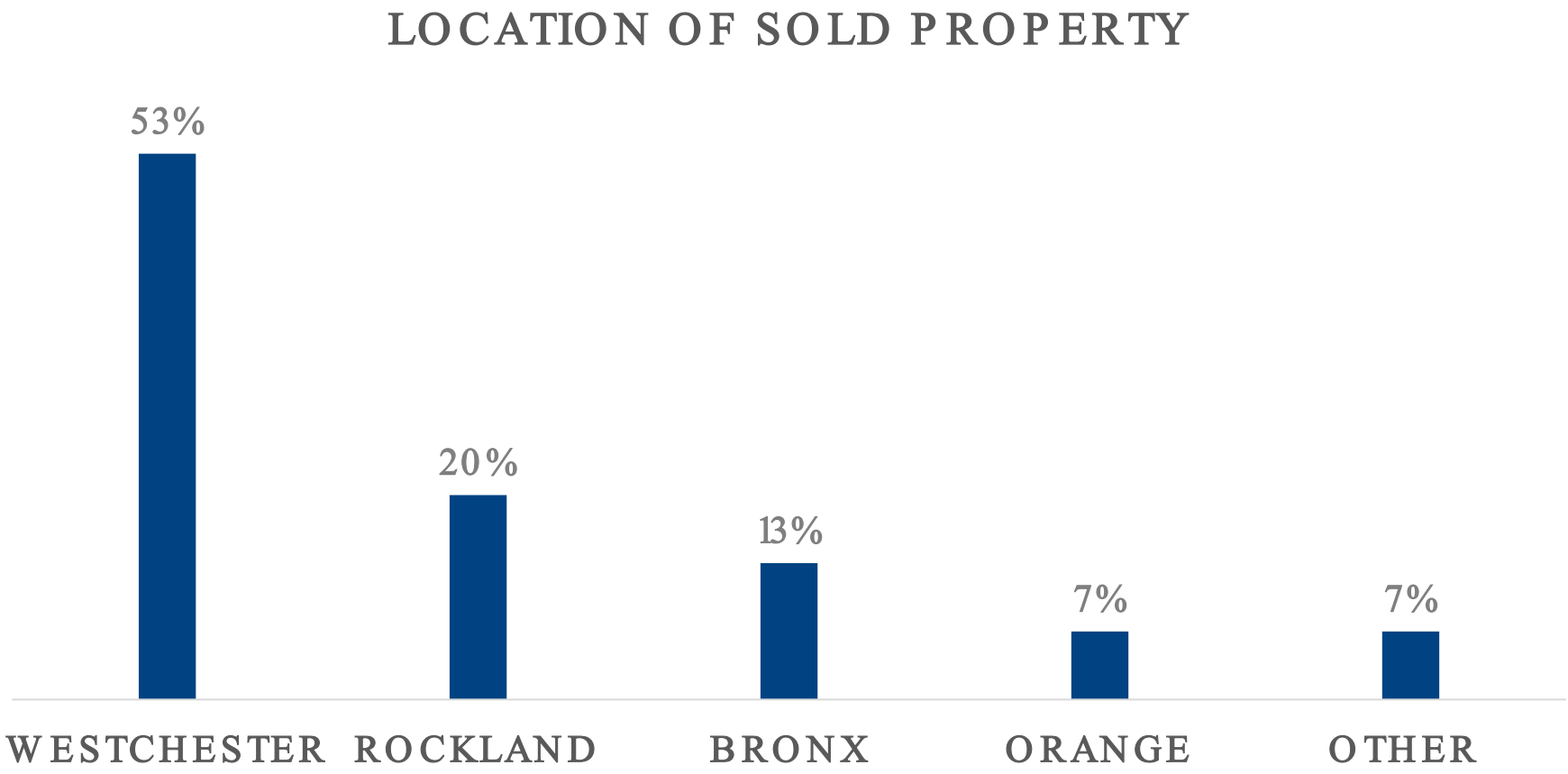
Compared to 70% in the national survey



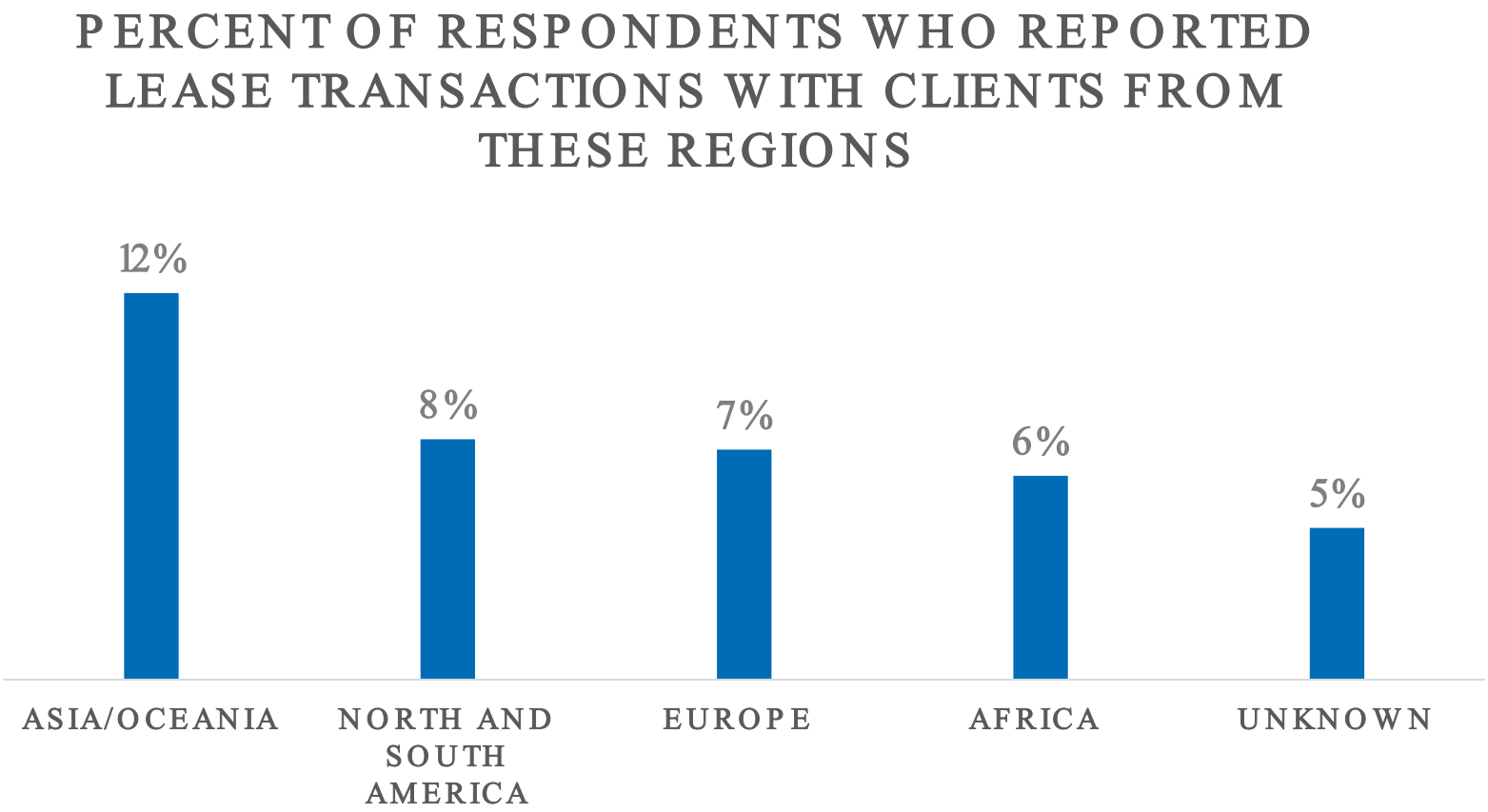
7% of Respondents Reported Foreign Clients Who Sold U.S. Property



53% of Properties Sold by Foreign Clients Were in Westchester

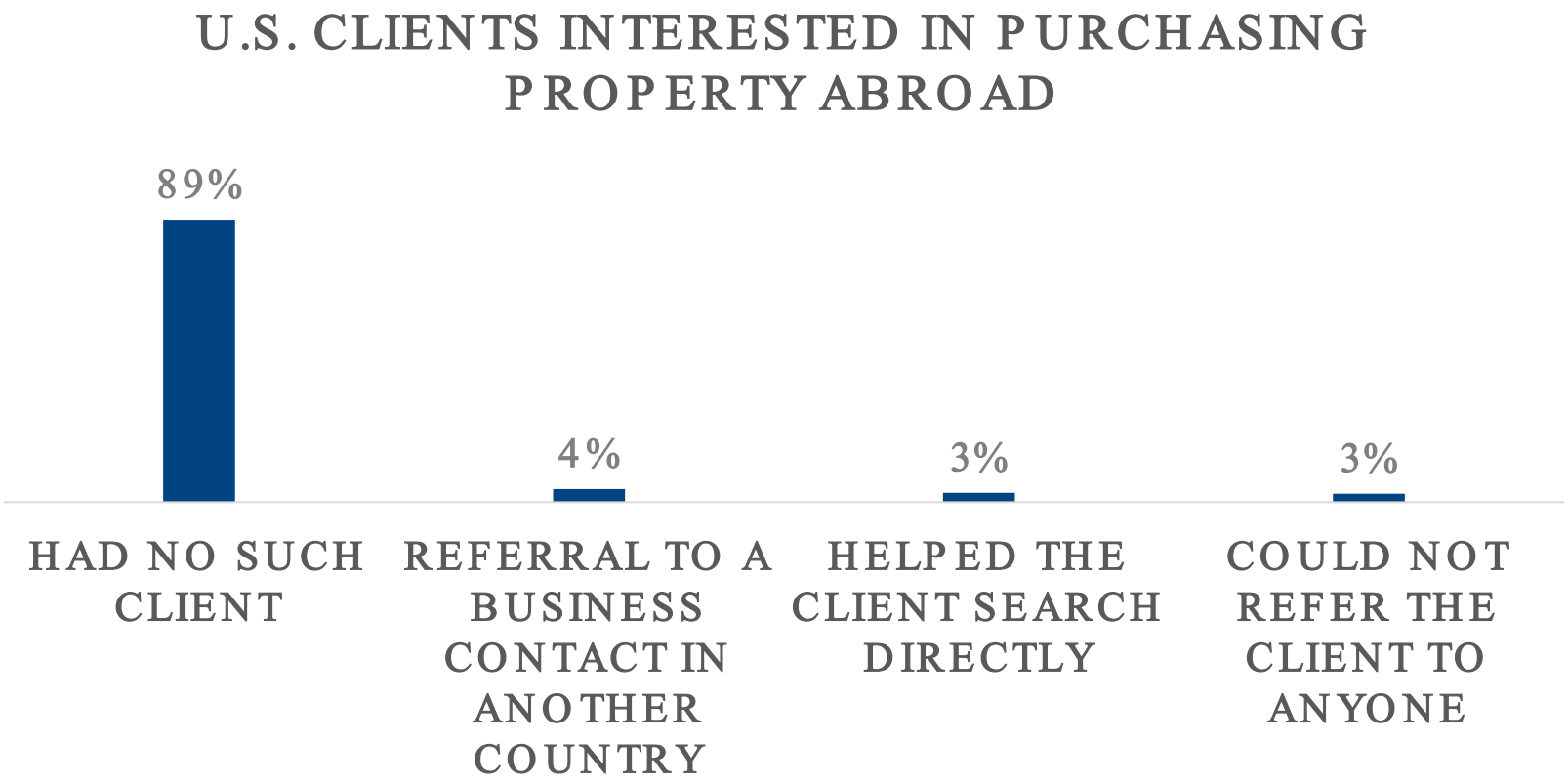


Respondents Also Reported Clients Who Leased a Residence

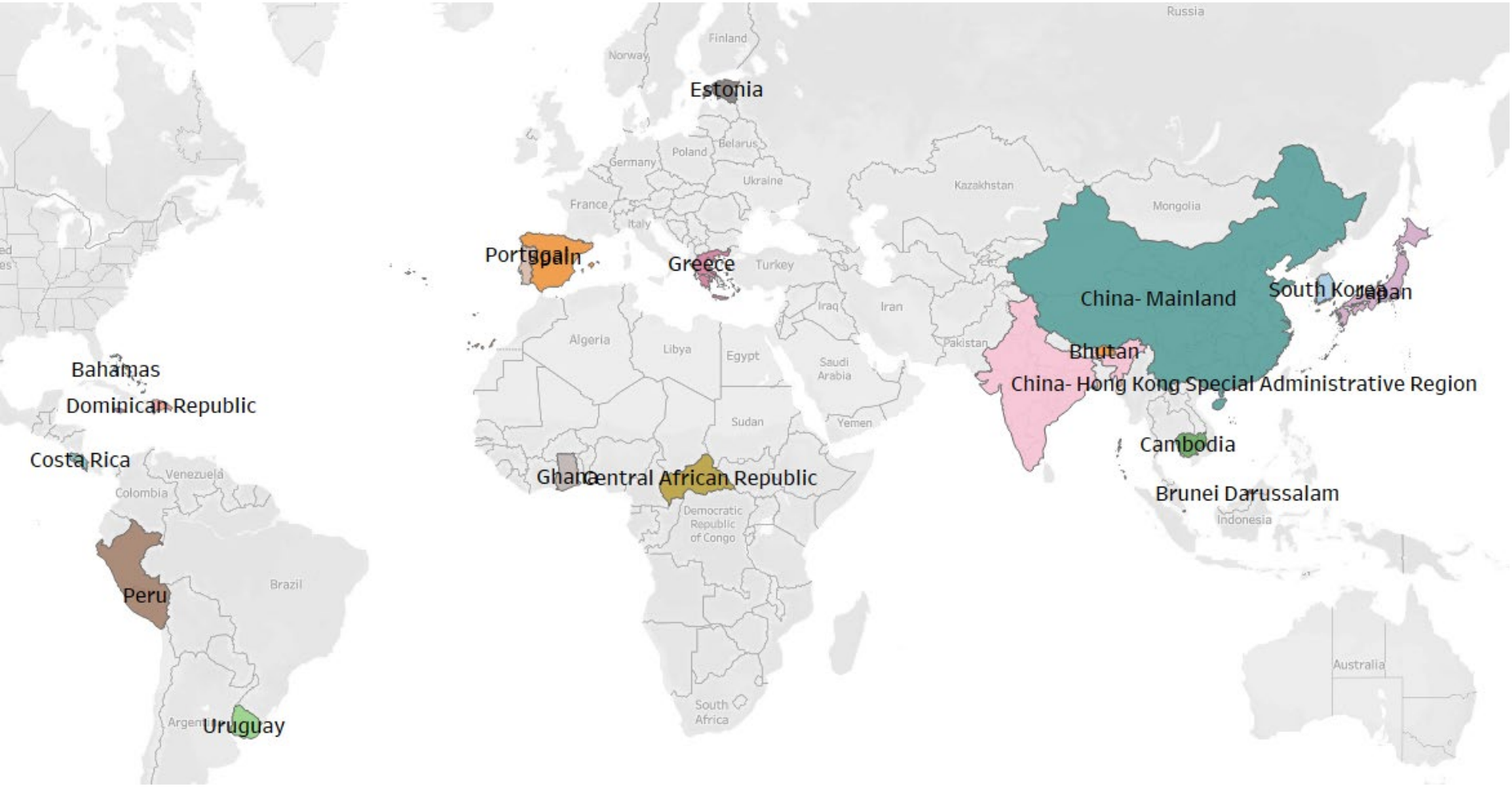


11% of Respondents Reported U.S. Clients Who Were Searching for Property Abroad

Compared to 9% in the national survey

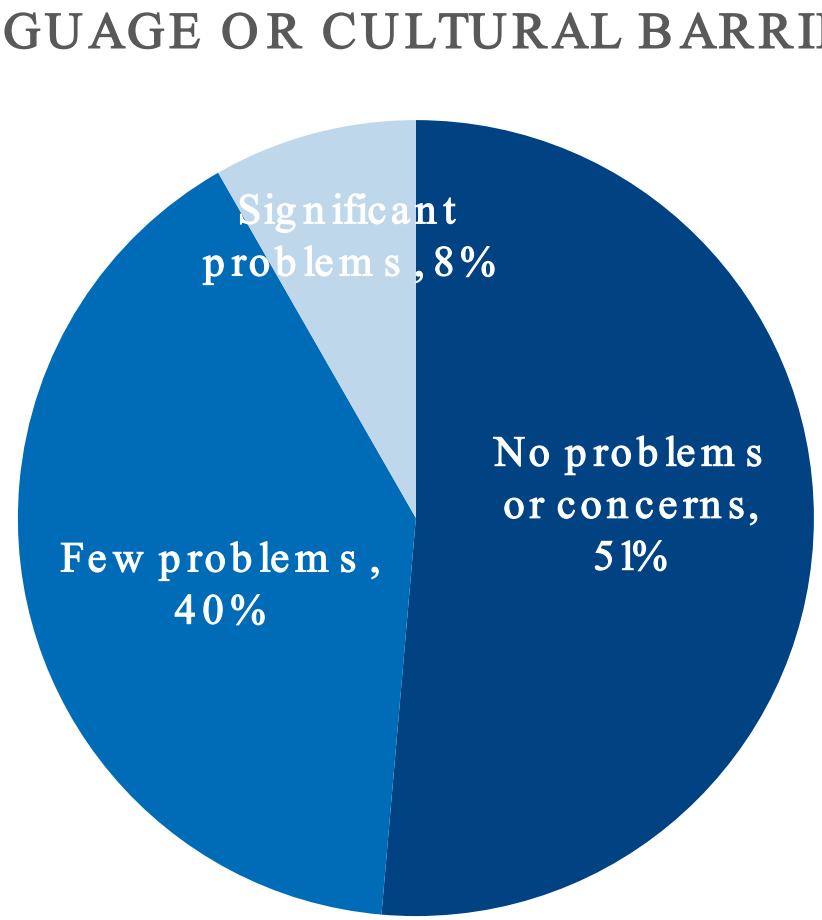


Countries of Interest to U.S. Clients Seeking to Purchase Properties Abroad



51% of Respondents Reported No Language or Cultural Barriers Working with Clients

Compared to 52% in the national survey



Appendix: Estimation of Foreign Buyer Purchases

Estimation of Foreign Buyer Purchases in the Hudson Gateway Association of REALTORS®		
Line 1	Foreign Buyer Purchases in New York	4,000
Line 2	Foreign Buyer Purchases in HGAR Market Area*	700
Line 3	Share of Type A foreign buyers	38%
Line 4	Share of Type B foreign buyers	63%
Line 5	Non-resident (Type A) foreign buyer purchases (units)	260
Line 6	Resident (Type B) foreign buyer purchases (units)	440
Line 7	Average foreign buyer purchase price of Type A buyers	$1,226,900
Line 8	Average foreign buyer purchase price of Type B buyers	$901,800
Line 9	Dollar volume of homes purchased by Type A buyers	$318,994,000
Line 10	Dollar volume of homes purchased by Type A buyers	$396,792,000
Line 11	Dollar volume of homes purchased by foreign buyers	$715,786,000
Memo items		
Line 12	HGAR closed sales	25,578
Line 13	Foreign buyer purchases as a percent of closed sales	2.7%

*Calculations assume that HGAR share of foreign buyers to total New York foreign buyers is the same as HGAR's market share of all closed sales. HGAR market share is calculated as the share of sales in Weschester, Putnam, Rockland, Orange, Sullivan, and Bronx to NY closed sales. During April 2021-March 2022, these counties accounted for about 17% of New York closed sales.

This study was conducted by the National Association of REALTORS® for the Hudson Gateway Association of REALTORS®.

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HGAR creates opportunities for members to grow their businesses and succeed in their communities. At the Hudson Gateway Association of REALTORS®, we come to work every day to help REALTORS thrive. We think REALTORS are the unsung heroes of the neighborhoods we live, work and play in, because they drive the economy, help people realize the dream of homeownership and fiercely protect their clients.

HGAR History

HGAR has served the New York real estate community since 1916, though not always under the name Hudson Gateway. We are the proud result of six local New York associations coming together to build a better, bigger and stronger organization for our members.

The oldest association in our history, the Westchester County Realty Board, was founded in 1916 in White Plains. In 1929, we published the first edition of the Westchester Realtor Magazine, whose successor publication, Real Estate In-Depth, began publishing in 1996.

In 1947, the Pelham Realty Board merged with us. But in 2009, the pace of consolidation took on speed, first with the Putnam County Association of Realtors, followed by the Rockland County Board of Realtors and the Orange County Association of Realtors in 2011.

That's also when we became formally known as the Hudson Gateway Association of Realtors and MLS.

In 2016, the Manhattan Association of Realtors merged with HGAR, increasing our coverage area to include a part of New York City, and offering our Manhattan members accurate data and world-class education and services for the first time.

In 2020 the Bronx-Manhattan North Association of Realtors also merged with HGAR, bridging HGAR's reach from Westchester and Manhattan and expanding its jurisdiction to include two of New York City's five boroughs.

NATIONAL ASSOCIATION OF REALTORS®

The National Association of REALTORS® (NAR) is America's largest trade association, representing more than 1.4 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS® Research Group

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

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